SHRI DAYANIDHI MARAN: Sir, hon. Members can raise a separate question on this issue. I will be ready to answer that separately. ...*(Interruptions)*...

**125. [The Questioner (Shri S.M. Laljan Basha) was absent. For answer vide page 32]*

Review of FDI in Telecom

*126. PROF. ALKA BALRAM KSHATRIYA:†† SHRIMATISHOBHANABHARTIA:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government are considering to review the FDI policy in telecom in view of the concerns raised by the national security advisors over the sale of 10 per cent equity in telecom joint venture Hutchison-Essar by holding company Hutchison Telecommunications International Limited to Egypt based Orascom;

(b) if so, whether the security advisors have suggested that the concerned Ministries should meet on the issue to adopt a yardstick that would be acceptable and realistic; and

(c) if so, what are the other concerns expressed and to what extent Government have taken a note of these suggestions?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI DAYANIDHI MARAN): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) No, Sir.

(b) and (c) The Government notified Foreign Direct Investment (FDI) policy for enhancement of FDI ceiling from 49% to 74% in telecom sector *vide* Press Note No. 5(2005 series) dated 03.11.2005. The Government has received a number of representations from stakeholders on various aspects of the said policy such as remote access, transfer

†The question was actually asked on the floor of House by Prof. Alka Balram Kshatriya.

of accounting information, appointment of resident Indian citizens at key positions of management, etc. In view of the above, the Government is reviewing various conditions in the Press Note No. 5(2005 Series) to enable a sustainable growth in Telecom sector and also the IT sector which is dependent on telecom.

The review would encompass these aspects and also the issues brought out by some national security agencies including the one arising out of acquisition of certain indirect holding in Hutchison Essar Ltd., by Orascom.

प्रो. अलका क्षत्रिय : महोदय, मैं आपके माध्यम से मंत्री जी से यह जानना चाहती हूं कि दूर संचार के क्षेत्र में प्रत्यक्ष विदेशी निवेश के लिए कौन – कौन सी कम्पनियों ने ऑफर्स दिए है , साथ ही इस बारे में सरकार के मापदंड क्या है?

SHRI DAYANIDHI MARAN: Madam, please repeat it.

प्रो. अलका क्षत्रिय : दूर संचार के क्षेत्र में प्रत्यक्ष विदेशी निवेश के लिए कौन – कौन सी कम्पनियों से सरकार को आफर्स मिली है और इस बारे में सरकार के मापदंड कौन से हैं?

SHRI DAYANIDHI MARAN: Sir, I think, the hon. Member's query is not supplementary to this question, but I would like to answer that most of the telecom companies are having an FDI option and they are already presented there. A separate list can be given to the hon. Member, if she wants. But, I think, most of the companies, except the public sector units, are having a foreign direct investment in the country.

प्रो. अलका क्षत्रिय : सर, मैंने गाइड लाइन्स के बारे में पूछा था कि इसका क्राइटेरिया क्या है, वह तो इससे रिलेटिड ही है, लेकिन आप बता रहे हैं कि रिलेटिड नहीं है । मेरा दूसरा सवाल हैं कि क्या सरकार 'हुचिसन टेलीकम्युनिकेशन्स इण्टरनेशनल लिमिटेड'नामक होल्डिंग कम्पनी द्वारा 'हुचिसन एस्सार' नाम दूरसंचार के संयुक्त उपक्रम की दस प्रतिशत इक्विटी को मिस्र की ' ओरस्कॉम' कम्पनी को बेचा जा रहा है । इस बारे में राष्ट्रीय सुरक्षा सलाहकारों ने बताया कि इससे राष्ट्रीय सुरक्षा संबंधी खतरा हो सकता है । इसलिए इस संबंध में मैंने सभी संबंधित मंत्रालयों की एक बैठक बुलाने की बात कही थी । मैं जानना चाहती हूं कि क्या वह बैठक हुई है या नहीं हुई है, अगर हुई है तो उसमें क्या तय हुआ है, अगर बैठक नहीं हुई तो आप उसे कब तक बुलाएंगे ?

SHRI DAYANIDHI MARAN: Sir, based on the Budget Speech or announcement of the Finance Minister, we have enhanced the FDI to

74 per cent. But at the time of implementation we faced^some security-related issues. Our Inter-Ministerial Group is still working on that.

As far as the specific question regarding Hutchison-Essar, where Orascom has invested, is concerned, the FIPB has already taken note of it and it is within the guidelines limits. Moreover, the National Security Advisor has also been communicating to us that we have to take a holistic view instead of taking a partial view on telecom sector alone. We are in the process.

प्रो. अलका क्षत्रिय : सभी मिनिस्ट्री की मीटिंग हुई है ...(**व्यवधान**)... मैंने यह पूछा था कि सर ...(**व्यवधान**)... मेरा दूसरा सवाल था ...(**व्यवधान**)... अगर वह मीटिंग नहीं हुई है तो कब करेंगे ...(**व्यवधान**)... मंत्री जी, यह भी नहीं बता सकते ...(**व्यवधान**)...

श्री सभापति : बस, बस हो गया ...(**व्यवधान**)...

SHRIMATI SHOBHANA BHARTIA: Thank you, Sir, I would like to know from the hon. Minister, when he enhanced the FDI limit *vide* Press Note No. 5, the telecom operators were meant to implement all the changes that Press Note No. 5 had stipulated by March. They were subsequently given an extension which went up to July. We then heard that they were to comply with all the guidelines by October. Now, we read that they are going to comply with the guidelines by January. I want to ask the Minister: Is this date final because you can't increase the FDI limit without all the necessary checks and balances in making all the telcom operators to comply with them? Is January now a firm date or not? Are you proposing another extension? The Minister has not replied to what these security concerns were. That is part (c) of the question to which the reply has not been provided. Are you also thinking of setting up a body comprising Finance Ministry, Defence Ministry and Telecom to look into all these aspects?

प्रो. अलका क्षत्रिय : सभापति जी ...(**व्यवधान**)...

श्री सभापति : आप हिंदी में बोली , वे अंग्रेजी में बोली, वे समझ गए । ...(**व्यवधान**)...

SHRI DAYANIDHI MARAN: Sir, the hon. Member has asked a very good question. Basically, when we tried to implement Press Note No. 5, after the Finance Minister's announcement of increasing the FDI to 74 per cent, we faced some problems while implementing it. When the concerned players said that these conditions could not be implemented.

Especially, the remote access part of it and other security measures, basically, we also felt that in the name of security we were overdoing it on the telecom sector alone. We have also realised that we have the Inter-Ministerial Group to decide that. We are in the process of it. We are trying to convince all the stakeholders and discussing it with them so as to implement it in a proper way without compromising the security part of the country and, at the same time, not overdoing on the security part of the country also. In fact, as regards the specific issue of Hutchison-Essar Telecom, basically I am also feeling that we are unnecessarily discussing the Board Room discussions which have been held in the Board Room of Hutchison-Essar and Ruias in the Parliament. Let us not waste time on that. ...*(Interruptions)*...

MR. CHAIRMAN: Next question. ...*(Interruptions)*...

SHRITAPAN KUMAR SEN: Sir, I have a question. ...*(Interruptions)*... Please allow me. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Sir, please let him ask certain questions. ...*(Interruptions)*...

श्री सभापति : देखिए, आगे का क्वेश्चन देखिए ...(**व्यवधान**)... आपके काम का है ...(**व्यवधान**)... बहुत ...(**व्यवधान**)... का क्वेश्चन है ...(**व्यवधान**)...

प्रो. अलका क्षत्रिय : राष्ट्रीय सलाहकारों की मीटिंग में ...(**व्यवधान**)... कर रहे है ...(**व्यवधान**)... सिक्योरिटी के मामले में ...(**व्यवधान**)... यह गलत चीज है ...(**व्यवधान**)...

SHRIMATI BRINDA KARAT: Sir, please let him ask certain questions. ...*(Interruptions)*...

MR. CHAIRMAN: Shri Moinul Hassan. ...*(Interruptions)*...

SHRI C. RAMACHANDRAIAH: Sir, if the Board's decision is dertrimental to the interests of the nation, has not the House got a right to discuss it? ...*(Interruptions)*... How can the Minister say that the Boad Room decision can't be discussed here, when it is against the interests of the nation? ...*(Interruptions)*...

MR. CHAIRMAN: Shri Moinul Hassan. ...*(Interruptions)*...

SHRI MOINUL HASSAN: Sir, I would like to put a question. I just want to read out one sentence from the reply of the Minister. He said, "the Government is reviewing various conditions in Press Note No. 5". The Government of India has ignored our party's the CPM's, warning on

the issue not to increase the FDI cap to 74 per cent. At least now, you reconsider it. I would like to know, through you, Sir, from the hon. Minister, when the review will be completed and when the Government will say that there is no need of FDI in this sector henceforth. I would like to know this from the hon. Minister.

SHRI DAYANIDHI MARAN: Sir, our Government, at the moment, is not considering to say that we need no FDI in this segment. We feel strongly that we need Foreign Direct Investment which has boosted the telecom sector. Basically, we are discussing with the concerned people in the area and we will be coming out. We are in the process of rolling out cent per cent FDI. There is no possiblity of rolling it back.

Generation of employment

*127. SHRI UDAY PRATAP SINGH: Will the PRIME MINISTER be pleased to state:

(a) whether Government have planned to set a target of employment generation for 70 crore people over the next five years; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) and (b) The draft Approach Paper to the Eleventh Five Year Plan as approved by the Planning Commission and presented for consideration by the National Development Council (NDC) has proposed creation of 70 million or 7 crore work opportunities as one of the monitorable socio-economic targets for the Eleventh Plan.

श्री उदय प्रताप सिंह : आदरणीय सभापति जी, पहले तो मैं आपको धन्यवाद देता हूं कि आपके कौशल की वजह से मेरा नम्बर आ गया, वैसे मैं समझता था कि मेरा नम्बर आ नहीं पाएगा । यह जो उत्तर मिला है, वह इतना गोलमोल है और इतना सामान्य – सा है कि उसे अगर स्वयं मंत्री जी दोबारा पढ़े, तो वे संतुष्ट नहीं होंगे । मैंने यह जानना चाहा था कि आप जो 70 मिलियन या 7 करोड़ employment generate करने की बात कर रहें हैं , तो वे कौन – कौन से क्षेत्र हैं और उन क्षेत्रों में भी प्राथमिकता क्या – क्या है और उनके पिछले अनुभव क्या है कि कितनों ने कितना रोजगार दिया था और कितने लक्ष्य की पूर्ति की थी ? इनमें से एक बात भी नहीं बताई जा रही है, सिर्फ हमें यह बात बताई जा रही है कि 11वें प्लान में इसकी स्कीम है, वह तो हमें भी मालूम है । यह जवाब बहुत ही अधूरा है । मैं यह जानना चाहता हूं , पहली बात यह